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Background

The August 1993 MTCR Category II sanctions on China require denial of pending or new export license applications for Missile Technology Control Regime (MTCR) Annex items, both munitions and dual use items, for the sanctioned entities for two years. Although satellites are not on the MTCR Annex they do typically contain components on the MTCR list.

Most satellites are on the U.S. Munitions List and still require a license from the Department of State. Under the sanctions law these licenses will be denied. In 1992 jurisdiction over certain commercial communication satellites was transferred to Commerce. Commerce reviews export license applications based on the commodity classification of the end-product. Although most satellites contain MTCR items, the components are incorporated and covered under the satellite license.

The 1991 Tiananmen Square sanctions on China affect U.S.-origin satellites, and export licenses require a Presidential national interest waiver. The President has to inform Congress and allow 30 days for their uncontested approval.

Talking Points

